

July 9, 2008

Ms. Marlene Dortch, Secretary Federal Communications Commission 445 Twelfth Street, S.W. Washington, D.C. 20554

Dear Ms. Dortch:

RE: Ex Parte Notice. WC Docket No. 07-97. In the Matter of Petition of Qwest Corporation for Forbearance Pursuant to 47 U.S.C § 160(c) in the Phoenix, Seattle, Minneapolis-St. Paul, and Denver Metropolitan Statistical Area.

On July 9, 2008, CWA President Larry Cohen sent the attached letter to Chairman Kevin J. Martin, Commissioner Michael J. Copps, Commissioner Jonathan S. Adelstein, Commissioner Deborah Taylor Tate, and Commissioner Robert M. McDowell in the aforementioned proceeding.

Mr. Cohen expressed support for the Qwest forbearance petition, pointing to the healthy telecommunications competition in the greater Phoenix, Seattle, Minneapolis-St. Paul, and Denver markets. Granting the relief would put Qwest on the same competitive playing field as other providers, and thereby help retain good union jobs at Qwest that have been lost over the years in large part due to the imbalance of subsidization of non-union competitors.

Sincerely,

Debbie Goldman

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Research Economist



## Via Fax

July 9, 2008

The Honorable Kevin J. Martin Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20054

Re: In the Matter of Petition of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Phoenix, Seattle, Minneapolis-St. Paul, and Denver Metropolitan Statistical Area, WC Docket No. 07-97

## Dear Chairman Martin:

The Communications Workers of America ("CWA") expresses its support for the petitions filed in April 2007 by Qwest Corporation ("Qwest") for relief from the Telecommunications Act of 1996 ("1996 Act") requirement that Qwest must provide its competitors access to its network at subsidized prices.

At a time of increased challenges in the marketplace, it is critical that Qwest receive forbearance so that it has the flexibility it needs to become a stronger competitor against providers who are not subject to the same regulatory restraints. These are dynamic times in the communications industry, and the public interest will be well served by providing Qwest with this needed regulatory relief.

CWA represents more than 20,000 occupational employees at Qwest. Altogether, CWA represents more than 700,000 men and women in both the private and public sectors of the economy – in telecommunications and information technology; media and publishing; health care, higher education, law enforcement and public service; in the airlines and in manufacturing. The outcome of this proceeding impacts CWA members both as workers and consumers.

As the Commission is well aware, Congress has established a mechanism whereby a local telephone company, such as Qwest, can be relieved of the obligation to provide competitors access to its network at regulated prices when facts are available to the Commission demonstrating that such services are subject to a sufficient level of competition. CWA is acutely aware that very healthy telecommunications competition now exists in the greater Phoenix, Seattle, Minneapolis-St. Paul, and Denver markets. Our union members see it every day. And the competition is coming from companies that do not employ union workers, and resist their employees' right to organize free from employer interference. It is exactly this type of competitive environment within which Congress envisioned that companies, like Qwest, should be able to compete freely without being required to subsidize their competitors.



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CWA has observed massive changes in the competitive landscape of the telecommunications marketplace in recent years. There are numerous competitive alternatives from which residential and business customers are free to choose. Customers in the Qwest markets at issue may now choose to obtain local phone service from a number of competitors including cable companies such as Comcast, Cox, Charter and Mediacom; a number of competitive local exchange carriers; Voice over Internet Protocol ("VoIP") providers; and wireless carriers.

On a national level, cable providers now serve well over 15 million customers, up from less than four million three years earlier; it also has been estimated that over 13 percent of U.S. households have now "cut the cord," up from five percent just over three years earlier. On a more local level, according to the Commission's most recent data, as of June 30, 2007, incumbent local exchange companies, including Qwest, provide less than 10 million of the nearly 29 million total wireline and wireless connections in Arizona, Colorado, Minnesota, and Washington. Since 2000, due to this competition, Qwest access lines have declined well over 30 percent in Arizona, Colorado, Minnesota, and Washington, even as population has increased.

Granting the relief requested by Qwest would put it on the same playing field with its competitors. The requested relief would allow the company to compete more fairly to win and retain customers based on service and pricing as it would no longer be required to artificially subsidize its competitors. Eliminating this subsidy also would help CWA retain good union jobs that have been lost over the years in large part due to the imbalance of subsidization of non-union competitors.

As the record clearly demonstrates, competition for services in the Phoenix, Seattle, Minneapolis-St. Paul, and Denver areas has advanced to a point at which multiple alternatives to Qwest's services are available from a wide array of competitors. It is not appropriate to continue to require Qwest, by regulatory mandate, to keep subsidizing its competitors; it is time for the FCC to grant Qwest's forbearance request for the four markets at issue.

Sincerely

Larry Cohen President

cc: Commissioner Michael J. Copps

Commissioner Jonathan S. Adelstein Commissioner Deborah Taylor Tate Commissioner Robert M. McDowell